

Socioeconomic Affected Environment

REGIONAL ECONOMIC BASE

New Orleans is located between Lake Ponchartrain and the Mississippi River in southeast Louisiana in the center of the Gulf South region of the United States. It is a major port of national and international trade. Available natural resources, good transportation access, and an available labor force contribute to a strong and diversified economic base for the New Orleans Region.⁵ Earnings in 1995 for Orleans Parish amounted to \$10.2 billion, or approximately 18.2% of the total earnings for Louisiana (table 16). During this same time frame, the six-parish New Orleans Metropolitan Statistical accounted for 36.4% of the state's total earnings.

Top economic sectors in terms of earnings are identified in table 16. Tourism as a specific economic industry contains categories that are included in the major divisions of services and retail trade. As a sector by itself, tourism accounted for 7.3% of total earnings in 1994 (according to the Metrovision Research Department). As such, tourism plays an important part in the area's economy. Tourism in the New Orleans region has doubled in the last 20 years, and it is expected to continue to grow. Visitation in the greater New Orleans area grew by more than 1.5 million persons in a recent five-year time frame (table 17). It is estimated that visitors spent almost \$3.5 billion in the New Orleans region in 1994. Visitor expenditures from 1988 to 1994 have increased by more than \$1 billion, a 45.5% increase (table 18).

POPULATION

In 1995 the New Orleans Metropolitan Statistical had a population of more than 1.3 million persons. This area has remained fairly stable since 1980 (table 19). Orleans Parish (containing the city of New Orleans) has experienced a decline of 13.3% in population over this same time period. Recent data show that a slight decline in population from year to year is a continuing pattern. In spite of this trend, Orleans Parish was the most populated parish in the state of Louisiana in 1995. It is one of 64 parishes in Louisiana and contains approximately 11.2% of the state's population.

ECONOMY

In 1995 Orleans Parish had a per capita personal income of \$21,874, which ranked fourth in the state at 115.1% of the state average. However, the state per capita personal income was only 81.9% of the national average. So while being relatively well off within the state, the parish was slightly below the national average per capita personal income.

Job growth was a positive 6.47% between the period 1990 and September, 1995. Table 21 shows the job growth for the region and the accompanying unemployment rates. Overall unemployment in the region was comparable to the state and national averages. However, in Orleans Parish unemployment was higher than the state and national averages in 1990 and somewhat higher in 1994 (see table 22). Table 22 also points out that in terms of the persons living below the official poverty level in 1990 and 1993, Orleans Parish (at 31.6% and 37.9%) was considerably worse off than either the state or nation.

5. The New Orleans Region includes the nine parishes of Orleans, Jefferson, St. Bernard, St. Charles, St. John the Baptist, St. James, St. Tammany, Plaquemines, and Tangipahoa. Except for Tangipahoa Parish, which is not included, these make up the New Orleans Metropolitan Statistical Area.

TABLE 16: TOP THREE INDUSTRIES IN 1995 IN TERMS OF EARNINGS

Primary Economic Sectors in Terms of Earnings in 1995				
State/Parish* MSA	Industry and Percent of Total Earnings	Industry and Percent of Total Earnings	Industry and Percent of Total Earnings	Total Earnings (Thousands of \$)
Louisiana	Services (27.3%)	State and Local Government (13.4%)	Retail Trade (9.5%)	\$56,287,608
Orleans	Services (37.8%)	State and Local Government (11.7%)	Transportation and Utilities (9.3%)	\$10,235,108
New Orleans, LA MSA*	Services (32.7%)	State and Local Government (11.0%)	Retail Trade (9.6%)	\$20,467,748

Source: Regional Economic Information System, 1969–95, Bureau of Economic Analysis, Economics and Statistics Administration, U.S. Department of Commerce, 1994 data.

*New Orleans, Louisiana Metropolitan Statistical Area consists of the following parishes: Jefferson, Orleans, St. Bernard, St., St. John the Baptist, and St. Tammany.

TABLE 17: VISITORS TO THE NEW ORLEANS AREA BY YEAR

Year	Visitors to New Orleans Area
1989	9,299,000
1990	8,401,000
1991	7,800,000
1992	9,532,000
1993	9,707,000
1994	10,850,000

Source: New Orleans Region, Advantages and Opportunities for Business Investment, Metrovision Partnership for Economic Development, 1995. Research Department, Metrovision; and U.S. Travel Data Center.

TABLE 18: GROWTH OF NEW ORLEANS VISITOR EXPENDITURES BY YEAR

Year	Visitor Expenditures
1988	\$2,371,770,000
1989	\$2,521,170,000
1990	\$2,745,370,000
1991	\$2,793,890,000
1992	\$2,985,370,000
1993	\$3,086,670,000
1994	\$3,450,140,000

Source: New Orleans Region, Advantages and Opportunities for Business Investment, Metrovision Partnership for Economic Development, 1995 and U.S. Travel Data Center.

TABLE 19: POPULATION FOR SELECTED YEARS

POPULATION DATA FOR SELECTED YEARS				
Political Unit	1980	1990	1995	Percentage Change, 1980–1994
USA	227,224,719	249,397,990	260,889,634	15.7%
Louisiana	4,223,101	4,217,362	4,338,072	2.7%
Orleans	558,557	495,036	484,290	-13.3%
New Orleans MSA*	1,308,411	1,284,037	1,314,167	0.4%

Source: Regional Economic Information System, 1994–95, Bureau of Economic Analysis, Economics and Statistics Administration, U.S. Department of Commerce, 1994 data.

*New Orleans, Louisiana Metropolitan Statistical Area consists of the following parishes: Jefferson, Orleans, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany.

TABLE 20: PER CAPITA PERSONAL INCOME FOR SELECTED YEARS

U.S./State/MSA/Parish	1980	1990	1995
U.S.	\$10,030	\$19,142	\$23,196
Louisiana	\$8,768	\$14,761	\$18,997
New Orleans MSA*	\$9,871	\$16,992	\$21,374
Orleans	\$9,633	\$16,886	\$21,874

Source: Regional Economic Information System, Bureau of Economic Analysis, Economics and Statistics Administration, U.S. Department of Commerce, 1994 data.

*New Orleans, Louisiana Metropolitan Statistical Area consists of the following parishes: Jefferson, Orleans, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany.

TABLE 21: CIVILIAN LABOR FORCE AND UNEMPLOYMENT

YEAR	CIVILIAN LABOR FORCE (NEW ORLEANS NINE PARISH REGION)	PERCENT UNEMPLOYED		
		NEW ORLEANS NINE PARISH REGION	LOUISIANA	U.S.
1995	613,000	6.7%	na	na
1994	601,000	7.4%	8.0%	6.1%
1993	587,300	6.8%	7.4%	6.8%
1992	604,700	6.9%	8.1%	7.4%
1991	605,000	6.0%	7.1%	6.7%
1990	589,000	5.6%	6.2%	5.5%

Source: New Orleans Region, Advantages and Opportunities for Business Investment, Metrovision Partnership for Economic Development, 1995, and the Louisiana Department of Labor.

TABLE 22: UNEMPLOYMENT AND POVERTY

POLITICAL UNIT	PERCENTAGE OF LABOR FORCE UNEMPLOYED, 1990	PERCENTAGE OF LABOR FORCE UNEMPLOYED, 1994	PERCENTAGE OF POPULATION BELOW POVERTY LEVEL, 1990	PERCENTAGE OF POPULATION BELOW POVERTY LEVEL, 1994
USA	6.2%	6.1%	13.1%	15.1%
Louisiana	9.0%	8.0%	23.6%	23.9%
Orleans Parish	12.7%	8.1%	31.6%	37.9%